Message Text

UNCLASSIFIED

PAGE 01 PARIS 20534 271601Z

73

ACTION EUR-25

INFO OCT-01 IO-13 ADP-00 AGR-20 CEA-02 CIAE-00 COME-00

DODE-00 EB-11 FRB-02 H-03 INR-10 INT-08 L-03 LAB-06

NSAE-00 NSC-10 PA-03 RSC-01 AID-20 CIEP-02 SS-15

STR-08 TAR-02 TRSE-00 USIA-15 PRS-01 OMB-01 EA-11

PM-07 RSR-01 /201 W

----- 073422

R 271450Z JUL 73

FM AMEMBASSY PARIS

TO SECSTATE WASHDC 2141

INFO USMISSION EC BRUSSELS

USMISSION GENEVA

AMEMBASSY BONN

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY THE HAGUE

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY ROME

UNCLAS PARIS 20534

E.O. 11652:N/A TAGS: EFIN. PINT

SUBJ: MESSMER DISCUSSES GOF PARTICIPATION AT TOKYO GATT MEETING

REF: PARIS 19313

1. IN LETTER FROM PRIME MINISTER MESSMER TO OPPOSTION LEADER MITTERAND, FRENCH APPEARED TO BACK AWAY FROM INSISTENCE OF RETURN OF DOLLAR TO MARCH RATE BEFORE SERIOUS TRADE NEGOTIATIONS CAN BEGIN. MESSMER LETTER WAS REPLY TO JULY 10 LETTER IN WHICH SOCIALIST LEADER DEMANDED THAT FRANCE NOT PARTICIPATE IN SEPTEMBER MEETING IN TOKYO OPENING GATT NEGOTIATIONS AS LONG AS "AMERICANS DELIBERATELY LET THEIR MONEY DEPRECIATE ... TO WIN NEW MARKETS". UNCLASSIFIED

UNCLASSIFIED

PAGE 02 PARIS 20534 271601Z

- 2. MESSMER, IN HIS REPLY, STRESSED IMPORTANCE TO FRANCE OF EXPORT SECTOR AND GREAT NEED TO CONTINUE EXPANSION AND LIBERALIZATION OF WORLD TRADE IF FRANCE IS TO MAINTAIN AND INCREASE ITS PROSPERITY. AS HE PUT IT, "WE WANT TO DO EVERYTHING POSSIBLE NOT TO INTERRUPT THIS TREND BUT TO CONSOLIDATE AND EXPAND IT." MESSMER THEN POINTED OUT THAT FRENCH REFUSAL TO PARTICIPATE IN MTN WOULD DESTROY EUROPE'S UNITED FRONT AT TOKYO AND WOULD PREVENT GOF FROM EXERCISING ANY INFLUENCE OVER VITAL DISCUSSIONS.
- 3. MESSMER ADDED THAT SUCH A POSTION DOES NOT MEAN THAT GOF WILL UNDERWRITE IN ADVANCE THE COURSE OF THE NEGOTIATIONS.
 ON THE CONTRARY, GOF HAS MADE CERTAIN THAT PRECONDITIONS HAVE BEEN FORMALIZED IN ORDER THAT EC AND FRENCH ECONOMIC INTERESTS WILL NOT BE JEOPARDIZED. AT FRENCH INSISTENCE EC IS ALSO ON RECORD THAT OBJECT OF MTN WAS TRADE EXPANSION AND NOT REESTABLISHMENT OF BALANCE OF PAYMENTS EQUILIBRIUM FOR ANY GIVEN COUNTRY. ALSO STRESSED, AT FRENCH INSISTENCE, WAS PRINCIPAL OF STRICT RECIPROCITY OF CONCESSIONS AND THAT NO ATTACK COULD BE MADE ON EC UNITY, ON COMMUNITY POLICIES IN GENERAL OR ON COMMON AGRICULTURAL POLICY IN PARTICULAR.
- 4. MESSMER THEN WROTE: "ABOVE ALL, MEASURES WERE TAKEN TO INSURE THAT COURSE AND SUBSTANCE OF THE NEGOTIATIONS WERE NOT DISTORTED BY PERSISTENT MONETARY DIFFICULTIES... EC POSITION, AT FRENCH REQUEST, IS THAT TRADE TALKS ASSUME THAT PROSPECT EXISTS FOR A RETURN TO LASTING, EQUITABLE MONETARY STABILITY. PROGRESS OF TRADE TALKS WILL BE EVALUATED IN THE LIGHT OF PROGRESS MADE IN THE MONETARY FIELD AND EC WILL TAKE THIS INTO ACCOUNT WHEN IT EVALUATES RESULTS OF MTN."
- 5. "THE GOVERNMENT, ONCE AGAIN, RECENTLY HAS DRAWN THE ATTENTION OF ITS EC PARTNERS TO ITS VIEWS ON THIS MATTER. IT ALSO INDICATED THAT IT DOES NOT APPEAR POSSIBLE TO MAKE FINAL DECISIONS ON THESE SUBJECTS AS LONG AS REALISTIC EXCHANGE RATES HAVE NOT BEEN REESTABLISHED.... IN ANY EVENT THE NEGOTIATIONS WILL CONTINUE OVER A LONG PERIOD OF TIME AND BEFORE THEIR COMPLETION, IT IS POSSIBLE THAT THE MONETARY CRISIS WILL BE RESOLVED."
- 6. "IF THIS CRISIS NEVERTHELESS PERSISTS AND CAUSES SERIOUS PROBLEMS FOR THE EUROPEAN COMMUNITIES, THE COMMUNITY ALWAYS HAS UNCLASSIFIED

UNCLASSIFIED

PAGE 03 PARIS 20534 271601Z

THE CHOICE OF NOT PUTTING INTO FORCE THE AGREEMENTS RESULTING FROM THE TALKS.

THE EC WOULD BE FREE TO TAKE ANY MEASURE DEEMED APPROPRIATE. FOR OUR PART, WE WOULD BE FREE TO RECONSIDER OUR POSITION BUT THIS COULD BE A QUESTION OF EXTREME MEASURES THAT ONE WOULD PREFER TO AVOID. IN FACT, THERE ARE VERY GOOD CHANCES THAT WE WILL FIND A SOLUTION, THROUGH THE PATH OF INTERNATIONAL COOPERATION, THAT WILL BE ADVANTAGEOUS AND SATISFACTORY FOR ALL."IRWIN

Doclassified/Polesson	LIS Dopartment	of State EO Systematic	Paviow 20 ILIN 2005
Declassified/Released	J US Department	of State EO Svstematic	Review 30 Jun 2005

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X Capture Date: 01 JAN 1994 Channel Indicators: n/a

Current Classification: UNCLASSIFIED

Concepts: TRADE, MONEY, NEGOTIATIONS, DEPRECIATION

Control Number: n/a Copy: SINGLE Draft Date: 27 JUL 1973 Decaption Date: 01 JAN 1960 Decaption Note: Disposition Action: n/a Disposition Approved on Date: Disposition Authority: n/a Disposition Case Number: n/a Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Decument Number: 1073BABIS

Document Number: 1973PARIS20534 Document Source: CORE Document Unique ID: 00

Drafter: n/a Enclosure: n/a Executive Order: N/A Errors: N/A Film Number: n/a From: PARIS

Handling Restrictions: n/a

Image Path:

Legacy Key: link1973/newtext/t1973077/aaaaafcy.tel Line Count: 115 Locator: TEXT ON-LINE Office: ACTION EUR

Original Classification: UNCLASSIFIED Original Handling Restrictions: n/a Original Previous Classification: n/a Original Previous Handling Restrictions: n/a

Page Count: 3

Previous Channel Indicators: Previous Classification: n/a Previous Handling Restrictions: n/a Reference: 73 PARIS 19313 Review Action: RELEASED, APPROVED

Review Authority: kellerpr Review Comment: n/a
Review Content Flags: Review Date: 14 JAN 2002

Review Event:

Review Exemptions: n/a
Review History: RELEASED <14-Jan-2002 by phillir0>; APPROVED <14-Jan-2002 by kellerpr>

Review Markings:

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Review Media Identifier: Review Referrals: n/a Review Release Date: n/a Review Release Event: n/a **Review Transfer Date:** Review Withdrawn Fields: n/a

Secure: OPEN Status: NATIVE

Subject: MESSMER DISCUSSES GOF PARTICIPATION AT TOKYO GATT MEETING

TAGS: EFIN, PINT, GATT, (MITTERAND), (MESSMER)

To: STATE

Type: TE

Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005